



4 Strategies to Gain a Competitive Edge Over National Builders

The 55+ housing market is growing stronger.

Why? Here are some reasons:

The 55+ Market

There is significant demand from prospective home buyers in the 55+ market niche.

Housing Supply

Housing supply is very low for both new and existing homes and there are not enough homes being built that are popular with the 55+ demographic.

Interest Rates

Sustained high sales prices for new construction have provided margin for builders to combat fluctuating interest rates through buy-down incentives.



It's no surprise that national home builders are pushing into new markets and aggressively consolidating market share.



According to John Burns Research & Consulting, public builders now account for 41% of all new home closings. These national builders are taking a closer look at smaller markets close to major MSAs, which can cause some builders to worry.

In fact, when the National Association of Realtors identified its top 10 housing markets for 2024, the list included Kettering, Ohio and Carlisle, Pennsylvania — hardly hot spots in which a local builder might have to deal with a publicly traded, well-funded competitor.

For some builders, the news that a national builder is coming to town might be cause for concern. Along with their name recognition and deep pockets, national builders bring with them finely tuned production processes that get houses built and sold quickly. But local builders have opportunities to gain a competitive edge regardless.

This guide provides strategies to stand out and stay one step ahead of national builders.



Strategy #1

Look for the Blue Ocean

The term, “Blue Ocean Strategy,” coined by bestselling authors W. Chan Kim and Renée Mauborgne, argues that companies can make the competition irrelevant by creating uncontested market space. As a result, they’re operating in a “blue ocean,” as opposed to one that is churning with fierce competitors.

Find Your Niche

Most local and regional builders that have seen one or more national builders come into their market can understand the concept of a feeding frenzy. Smart builders know the solution isn’t to cut prices or take shortcuts on quality — it’s to make the competition irrelevant by focusing on a market that doesn’t fit the larger builders’ business model.

In 2023, Baby Boomers overtook Millennials as the largest generation of home buyers at 39%.

But national builders haven’t yet taken full advantage of the opportunities available in the 55+ detached home market. They typically do not focus on small infill projects or building an amenity such as a clubhouse with a pool for a community of 50+ homes. These types of amenities aren’t going to pencil out for a builder that needs to meet stockholder performance demands.

In most cases, national builders aren’t interested in buying parcels that yield fewer than 100 lots. Those parcels, however, can easily accommodate the walkable communities that are in high demand with 55+, active adult buyers.

The benefits of pursuing a “blue ocean strategy” will not go unnoticed by other companies in a housing market. The owners of [Nova Triad Homes](#), a developer in Winston-Salem, North Carolina, kept a close eye on an Epcon Franchise Builder in their area.



“We’re primarily a developer and our partners and I were stunned at how much they were building,” said Andy Dreyfuss, managing partner of Nova Triad Homes. “They were able to keep the company going when other builders were filing for bankruptcy because they had this patio product. They clearly were in the right market.”

When Dreyfuss had the opportunity to buy the company and join the Epcon home building franchise, he jumped at the chance. “Epcon has figured this (buyer demographic) out,” Dreyfuss said.

“It’s clear that adults 55+ want to live in houses built with them in mind. We sold 60 homes last year. We think we can sell 65 to 90 homes a year in this market.”

Similar to Dreyfuss, Scott Lehner, owner of [Perfection Builders](#) in Wichita, Kansas, noticed a market gap. Despite the ongoing demand for product that appeals to 55+ buyers, developers in his area shied away from what they called “patio homes.”

“They were pretty typical homes you’d see in any development,” explained Lehner. “The only difference was they had a lawn service. They didn’t have good amenities, they were in the least desirable part of a large development and the developers would complain they didn’t sell well.”

Seeing an opportunity to reach an underserved market, Perfection Builders knew there had to be a way to address the 55+ market in their area more effectively.

“We tried to develop a product on our own. About half way through the process, we read an article in BUILDER about Epcon and drove to the nearest community. We learned they’d spent years developing their systems and thought it would be well worth the effort to join a franchise rather than taking years to fine-tune our process.”

Scott Lehner

Perfection Builders // Wichita, KS

Justin Bauer, a custom home builder and owner of [Clarity Construction](#) in Des Moines, Iowa, came to the same conclusion about the opportunity in the 55+ market. Bauer saw such incredible growth that he left his custom home building business almost entirely to focus on building for the 55+, active adult.

Bauer was impressed with Epcon’s 55+ background and knowledge. He knew joining Epcon was the best way to build for this untapped market.

“If I didn’t pull the trigger on Epcon, and I had decided to do a 55+ community by myself, I wouldn’t know anything about it. If someone is going to try to go up against Epcon, they’re going to lose.”



Strategy #2 *Streamline Your Process*

The major benefit of being a custom home builder is also its biggest challenge. Because each plan is unique, you start from scratch on every house you build. It's challenging to reduce cycle times or increase your purchasing power. Every change order takes profit from the bottom line.

Potential Cost Savings

National builders know and rely on the benefits that come from standardized plans and lower expenses. Standardized plans make it easier for superintendents to manage jobs and for trade contractors to finish more quickly. The potential cost savings lead many builders to invest in extensive research on standardizing building methods, both for value engineering and to reduce cycle time.

Nova Triad Homes has been working hard to streamline its operations, learning to pace starts and closings and not overstretch its supply chain. They start two houses a week — a pace that gives them the ability to increase discipline in production and manage quality.

“The three metrics in any business are cost, quality and speed,” Dreyfuss noted. “We’re willing to give up on speed if we get an A+ from customers when they move in.”

Even seasoned builders find they can save a bit of time by adopting the methods that national builders use.

“We were pretty darned experienced as home builders prior to becoming an Epcon Franchise Builder,” Lehner said. “The methods they use in foundations have been more efficient for us.”



Proven Floor Plans

Streamlining doesn't just apply to the construction process. Epcon Franchise Builders have access to proven floor plans that have been extensively vetted to exceed the lifestyle needs of discerning 55+ buyers, saving time and money.

Chad Weaver, President of [Weaver Homes](#) in Mars, Pennsylvania, says there is tremendous benefit of having a full selection of high-performing plans in his portfolio.

"We have to do our own plans for the non-Epcon homes we build and it's a struggle," he explains. "We just introduced four new plans and it took nine months. Then you go to build it and say, 'Oh gee, I wish we'd done this.' With Epcon, the plans are done ahead of time, and they're constantly introducing fresh, new plans. They don't sit on their laurels. It's just an easier way to build."

There's also significant value in the collateral materials that come with every plan," says Brock Fankhauser, president of [NewStyle Communities](#), an Epcon Franchise Builder in the Charlotte, North Carolina market.

"When Epcon releases a model, they release color renderings and floor plans," he says. "A lot of companies love Matterport tours [three-dimensional video walkthroughs]. You get a quote to do it, see the price and it gets put on the back burner. Epcon plans already come with that."

In-House Sales Team

Another hallmark of national builders is that they have in-house sales teams selling their products exclusively and design centers to present options and upgrades to their buyers.

Of course, these builders place a high value on the local real estate community and the buyers that trained professionals bring to their communities. But having dedicated sales teams committed to selling only their homes drives more traffic and sales on a daily basis than any other method.

Taking that step two years ago made a huge difference for Weaver Homes.

"With an in-house sales staff, they're constantly making cold calls and thinking of ways to sell our product," Weaver says. Building a design center has helped greatly to streamline the options process for both the Weaver Homes staff and its buyers. "It's been fantastic," Weaver says.



A photograph showing the wooden framing of a house under construction. Several workers in safety gear are visible, working on the structure. The background shows trees and a clear sky.

Strategy #3 *Strength in Numbers*

Have you ever wondered why national builders can offer the products they include in their houses for the price they're charging? Their size gives them access to the best prices. Most manufacturers have national accounts departments that deal only with high-volume builders. Those builders often receive rebates for every unit in which the manufacturer's products are used.

Level the Playing Field

Rebates can collectively shave thousands of dollars off the cost of each house – savings that go straight to the bottom line. These types of national programs also extend to vital services builders need, including operational software programs and marketing. Epcon Franchise Builders have access to this same buying power.

"We have incredible purchasing power not usually afforded to companies doing 85 houses a year," said Fankhauser. "Roofing, siding, cabinets, doors, garage doors, flooring, insulation, you name it. When we're talking to the roofing company, they view us as a national builder because the contract combines all Epcon Franchise Builders."

"That's what I like about Epcon," Fankhauser added. "You can maintain the control of an American small business, but you have the persona and buying power of a BUILDER 50 company. That puts us on a level playing field with any builder in the region."

Fankhauser said he appreciates the "very healthy" manufacturer rebates he receives.

“It’s kind of fun to get that check in the mail every spring, We couldn’t negotiate that on our own.”

Fankhauser, who builds Epcon communities in a market saturated with national builders, has been able to invest in beneficial operational software programs and buyer survey services that he couldn’t have afforded otherwise. “We don’t find ourselves at a disadvantage to larger companies that can afford to do the same thing,” he acknowledged.

In the case of Roger Thomas, owner of [Choice Builders](#) and an Epcon Franchise Builder in Cedar City, Utah, he has found that Epcon’s knowledge and support has been invaluable to the growth of his business.

“I knew that [Epcon’s] product wasn’t in Cedar City, and I knew from speaking with my clients that it would be an attractive product. But I had no idea how to go about doing it. Whether it was finding land, or how do I find financing? How do I do the entitlements? All of these things, Epcon has a program that walked me through as a builder. Epcon was able to work with me to connect all of those together so then I was able to move forward with the plan with confidence that I was on the right path,” Thomas says.

As much as Epcon Franchise Builders benefit from Epcon’s team and expertise, many say their biggest benefit is being part of a nationwide network of highly effective builders. “Hands down, my favorite service Epcon offers is the camaraderie with other Franchise Builders,” Fankhauser said.

“You’re at a disadvantage if you’re trying to do this business all by yourself. We’re all operating similar businesses, competing in markets that do not overlap and benchmarking each other in an effort to push the entire group towards better performance. Epcon affords us time to share best practices and learn from each other during the annual Epcon National Conference, Epcon Summit meetings comprised of our top builders or the casual interaction with everyone in between.”





Strategy #4 *The Power of a Name*

Franchising offers national marketing and sales support and established brand recognition that can be very powerful to a Franchise Builder. For example, just as local car dealers build on the excitement generated by the national ad campaigns of auto manufacturers, Epcon Franchise Builders gain an immediate advantage from their association with a highly respected and nationally known brand.

Credible Branding


Consumers have a strong desire to buy local from an established, credible brand — purchasing a home is no different. This, coupled with the backing of a national brand that is known and trusted, gives home buyers confidence and Epcon Franchise Builders a distinct advantage.

Epcon's name recognition has been especially valuable to Perfection Builders as it moves into a new market.

"There's a certain amount of credibility of being part of a larger company with a large footprint," Lehner said. "Going into Louisville, we bring a name that is not a stranger. If you haven't heard about Epcon, it's pretty easy to find out about them. Bringing that name has a value."

Fankhauser agrees. In his market, 50 percent of the buyers come from outside the region and know the Epcon brand.

"Epcon has an established name, which helps with recognition," he said. "Our buyers have already seen built-out neighborhoods in their own hometowns. As a Franchise Builder, we have the combination of being a small, mom-and-pop business, which our buyers grew up with and appreciate, and we're backed by a much larger organization, which gives them peace of mind. It's a two-pronged strategy that is very hard to replicate in today's modern industry."



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Learn about the steps to becoming an Epcon Franchise Builder.

Epcon Franchising provides a business blueprint for builders to capitalize on the largest and most underserved segment of the new home market, allowing them to build more, smarter and faster. Call 888-909-2430 or visit EpconFranchising.com to learn more about what we offer and get your questions answered specific to your business and market.

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